

**FOCAL  
POINT**

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# The **5 Issues** That Pop-up When Tackling **Leadership Development**



*Focal Point Coaching*

A leadership crisis exists today in small businesses and corporations alike. Quiet quitting and uncertainty are high, and employee ownership is lacking. This doesn't mean all the people in your organization lack the ability to lead, however. With the right focus and approach, you can find and develop effective, driven leaders and overcome this issue at your company.

## Identifying the Gaps

There are typically four key factors preventing companies from developing the leaders they need, according to research from Bersin by Deloitte. These are:

- A gap between programs provided by HR and the skills needed for successful management of the business.
- Lack of suitable data to use in identifying potential leaders,
- Difficulties in implementing skills learned during training in the workplace.
- Leadership programs that don't integrate well with other HR initiatives, causing them to be ineffective.

If any of these gaps resonate with you, the opportunity exists for you to rethink your leadership development strategies.

## Investing in Leadership Development

Inadequate leadership has repercussions for business, ranging from poor profitability to the loss of top talent to other organizations and even other sectors. Investing in the development of future leaders improves your performance in several areas:

- Staffing expenses and lost productivity, which increase with higher staff turnover. This is a result of incurring recruitment costs more often, the need to attract new talent by offering more desirable packages and hiring incentives, and orientation and training of new hires.
- Strategic planning, including succession plans for the future. By promoting internally and training staff to become leaders, you cultivate loyal team members with a vested interest in the company's success.
- Ability to respond to shifts in the environment by having leaders who understand change management and the need for agility.

Research shows companies that focus on leadership development manage to identify and resolve issues earlier than others, and at lower levels of the organization.

This enables upper-level leaders to focus on strategic performance.

## Getting on Track

When you're busy with day-to-day management of your business, [quotesright]it can be challenging to "put down the tools" [quotesright] and focus on a future priority such as leadership development. Follow these steps, or bring in an expert to help you to:

## Identify employees with leadership qualities.

This requires focusing on more than just the person's intellectual ability or business knowledge. Looking for high potential individuals (HIPOs)

requires finding those who stand out in terms of strategic perspective and direction, an ability to inspire, motivate and develop others, to focus on producing excellent results, and who show a willingness to innovate solutions. These are some of the key themes that stand out when we examine successful leaders.

## Develop strategies for uncovering hidden leadership potential in your team

Finding the people who have the qualities listed above isn't as simple as choosing your top performers. Many a company owner has discovered that his great salesperson just isn't the right fit for the sales manager's position or vice versa. To uncover a leadership mindset, look for attributes such as:

- An interest in taking on more responsibility – and delivering on it.
- Consistently going the extra mile. This may translate into excellent performance in sales, or it could manifest in a stronger ability to build relationships with clients. However it plays out, it's different from just excelling in the job at hand.
- Being solutions-oriented. Employees who take ownership of an issue, research the options thoroughly and bring forward a complete picture that includes potential solutions are more likely to have leadership potential than one who simply recognizes and highlights the problem.

People who are self-directed typically display several of these characteristics, which means the potential for upskilling to handle them competently already exists.

## Create career development opportunities for growing leaders.

Providing training is important, but dynamic, assertive people don't stand still, and training them without providing career opportunities for them to exercise their newfound knowledge is a recipe for losing them.

You don't want to invest money in future leaders who then take their skills elsewhere, such as to your competition. Before you allocate a budget to leadership development training, it's essential to examine your infrastructure and determine how you can create the opportunities needed to accommodate new leaders. This often requires restructuring of areas of the business or delegating responsibilities you have traditionally kept for yourself.

Developing the business leaders needed to take your company and the economy forward is a process that needs a scientific approach, not a haphazard one. Start with your long-term strategy, followed by a professional analysis of the groundwork needed to make it happen. Then identify the positions you need to create and fill, and lastly look at the people you have who could be trained to fill them. At that point, you'll have a clear picture of the leadership development training requirements for the company and can begin to explore ways to provide them.